

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-00-C-M021 MOD/AMD P00028	Page 2 of 6
Name of Offeror or Contractor: Z SYSTEMS CORP.		

SECTION A - SUPPLEMENTAL INFORMATION

CONTRACT: DAAE07-00-C-M021
MODIFICATION: P00028 (TPF for M88A2 HERCULES Vehicle System)
PROGRAM: TOTAL PACKAGE FIELDING (TPF) Bradley, Combat Systems Logistics Division, M113, M88, M9ACE, & PM Bridging

1. This document is contract modification P00028 to contract DAAE07-00-C-M021. The purpose of the contractual action is to exercise an option for an additional 4,792 hours of Total Package Fielding (TPF) support for the M88A2 HERCULES Vehicle System, pursuant to Special Provision H-18. In addition, this contractual action extends the Period of Performance for M113 TPF services under CLIN 0002AF and outlined in Work Directive M113 FOV 01-00, Revision 3 to 31 December 2004 at no cost to either party.

2. This contract modification impacts the contract amount. For funding, administrative and page substitution purposes, this modification follows prior modification P00027. This modification increases the funding for CLIN 0003 and increases the total contract amount by \$219,138.00 from the prior amount of \$7,566,201.42 to a new total of \$7,785,339.42. The allocation of this funding increase is as follows:

	<u>Prior</u>	<u>This Change</u>	<u>Total</u>
Estimated Cost	\$7,139,461.86	\$ 206,727.00	\$7,346,188.86
Fixed Fee	<u>\$ 426,739.56</u>	<u>\$ 12,411.00</u>	<u>\$ 439,150.56</u>
Cost Plus Fixed Fee	\$7,566,201.42	\$ 219,138.00	\$7,785,339.42

3. This modification acquires an additional 4,792 man-hours of support to accomplish Total Package Fielding (TPF) support efforts for the M88A2 HERCULES Vehicle System.

4. This modification serves as written notice pursuant to Special Provision H-18, that the Government is acquiring 4,792 man-hours of Total Package Fielding Support. These hours are being acquired under the following SubCLIN:

SubCLIN	<u>Prior</u>	<u>This Change</u>	<u>Total</u>
0003AE	0	4,792	4,792

5. Special Provisions B-4-1 and H.18 allow the Government to add man hours provided:
a. Such hours do not exceed a cumulative maximum of 36,000.
b. The hourly cost and fixed fee is appropriate to the estimated cost and fixed fee(s) established for the entire 118,000 man hours.
c. The option is exercised prior to 18 Oct 2005.

6. This action is exercising the following option for 4,792 hours, at \$45.73 per hour. Based on contractor input, the estimated costs associated with this contractual action will be at the negotiated rate of \$45.73 (\$43.14 estimated cost and \$2.59 fixed fee). This modification obligates a total of \$219,138.00 based on the following:

a. Estimated Cost	4,792 hours x \$43.14	=	\$ 206,727.00
b. Fixed Fee	4,792 hours x \$ 2.59	=	<u>\$ 12,411.00</u>
c. CPFF			\$ 219,138.00
d. TOTAL			\$ 219,138.00

7. This contract modification also extends the Period of Performance for M113 TPF services under CLIN 0002AF and outlined in Work Directive M113 FOV 01-00, Revision 3 to 31 December 2004 at no cost to either party.

8. The parties to this agreement acknowledge that the contract is changed as set forth below:
a. Revision of Paragraph H-18 and addition of new SubCLIN 0003AE to reflect the updated data and additional funding resulting from this action.
b. Revision of Section B, CLIN 0002AF to reflect the extension of the Period of Performance for M113 TPF services to 31 December 2004 at no cost to either party.
c. Section G is revised to add the appropriation and administrative data for these actions.

9. Except as provided herein, all other terms and or conditions of this contract shall remain unchanged and in full force and effect.

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-00-C-M021 MOD/AMD P00028	Page 3 of 6
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ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0002AF	<p>SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS</p> <p><u>SERVICES LINE ITEM</u></p> <p>NOUN: M113 TPF ADMIN SUPPORT PRON: 7228C27372 PRON AMD: 02 ACRN: AV AMS CD: 31200496011</p> <p>TOTAL PACKAGE FIELDING FOR M113 VEHICLES INCLUDING COSTS FOR MATERIALS AND TRAVEL</p> <p>NOUN: CONTRACTOR SHALL FURNISH ALL THE SUPPLIES AND SERVICES TO ACCOMPLISH THE TASK SPECIFIED IN SECTION C "SCOPE OF WORK", AND AS AMENDED.</p> <p>LEVEL OF EFFORT 14,560 HOURS (OPTION TIME PERIOD) 12 TO 24 MONTHS AFTER ORIGINAL AWARD</p> <p><u>REFERENCE CONTRACT CLAUSE H-17</u></p> <p>PRIOR M113 OPTION HOURS 67,137</p> <p>OPTION HOURS THIS ACTION (9,877)</p> <p>TOTAL M113 OPTION HOURS REMAINING 57,260</p> <p><u>Modification P00021:</u> 9,877 Hrs X \$43.95 \$434,094.00</p> <p>TOTAL ESTIMATED COST: \$409,500.00 FIXED FEE: \$ 24,594.00 TOTAL COST: \$434,094.00</p> <p>Modification P00028 extends the Period of Performance for M113 TPF services on this CLIN to 31 December 2004</p> <p>(End of narrative B001)</p> <p><u>Inspection and Acceptance</u> INSPECTION: Destination ACCEPTANCE: Destination</p> <p><u>Deliveries or Performance</u> DLVR SCH PERF COMPL <u>REL CD</u> <u>QUANTITY</u> <u>DATE</u> 001 0 31-DEC-2004</p> <p>\$ 434,094.00</p>			<p>Estimated Cost: \$409,500.00 Fixed Cost: \$ 24,594.00 CPFF: \$434,094.00</p>	<p>\$ 434,094.00</p>

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-00-C-M021 MOD/AMD P00028	Page 4 of 6
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ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0003AE	<p><u>SERVICES LINE ITEM</u></p> <p>NOUN: TPF SUPPORT M88A2 PRON: P136L0522T PRON AMD: 01 ACRN: AY AMS CD: 31203700016</p> <p>TOTAL PACKAGE FIELDING FOR M88 HERCULES INCLUDING COSTS FOR MATERIAL AND TRAVEL</p> <p>NOUN: CONTRACTOR SHALL FURNISH ALL THE SUPPLIES AND SERVICES TO ACCOMPLISH THE TASK SPECIFIED IN SECTION C "SCOPE OF WORK", AND AS AMENDED.</p> <p>LEVEL OF EFFORT: 4,792 HOURS (OPTION TIME PERIOD) 06 OCTOBER 2004 - 17 SEPTEMBER 2005 49 TO 60 MONTHS AFTER ORIGINAL AWARD</p> <p>REFERENCE CONTRACT CLAUSE H-18</p> <p>PRIOR M88 OPTION HOURS REMAINING 22,984 OPTION HOURS THIS ACTION (4,792) TOTAL M88 OPTION HOURS REMAINING 18,192</p> <p><u>Modification P00028:</u> 4,792 HOURS X \$45.73 \$219,138.00</p> <p>TOTAL ESTIMATED COST \$206,727.50 FIXED FEE \$ 12,411.50 TOTAL COST \$219,138.00</p> <p>(End of narrative B001)</p> <p><u>Inspection and Acceptance</u> INSPECTION: Destination ACCEPTANCE: Destination</p> <p><u>Deliveries or Performance</u> DLVR SCH PERF COMPL <u>REL CD</u> <u>QUANTITY</u> <u>DATE</u> 001 0 17-SEP-2005</p> <p>\$ 219,138.00</p>			<p>Estimated Cost: \$206,727.50 Fixed Fee: \$ 12,411.50 CPFF: \$219,138.00</p>	<p>\$ 219,138.00</p>

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SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ ITEM MIPR	OBLG STAT/ ACRN JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0003AE	P136L0522T 31203700016 A13P30161C2T	AY 1 3ZCRFV	\$ 0.00	\$ 219,138.00	\$ 219,138.00
NET CHANGE				\$ 219,138.00	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AY	21 32033000031C1C05P31203731E9 S2011336L052	W56HZV	\$ 219,138.00
NET CHANGE				\$ 219,138.00

	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
NET CHANGE FOR AWARD:	\$ 7,566,201.42	\$ 219,138.00	\$ 7,785,339.42

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-00-C-M021 MOD/AMD P00028	Page 6 of 6
Name of Offeror or Contractor: Z SYSTEMS CORP.		

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H-16 Option, BRADLEY FIGHTING VEHICLE SYSTEM (BFVS) AND COMBAT SYSTEMS LOGISTICS DIVISION

Pursuant to FAR 52.217-7, the Government shall have the unilateral right to increase the level of System Technical Support for Total Package Fielding under CLIN 0001 by up to 118,000 hours, at the estimated cost per hour to include fixed fee as established in paragraph B-2-1. The Contracting Officer may exercise the options set forth in this paragraph by giving written notice to the Contractor any time after Contract award through the sixtieth month after award. The performance there under to commence immediately upon the issuance of Work Directives corresponding to the increased hours. The CPFF hourly rate established in paragraph B-2-1 for that specific time period shall apply. The option may be exercised in any increment over the time period listed in paragraph B-2-1, but the total hours added to the Contract under the option will not exceed 118,000 hours.

By exercising any portion of the option increment of 118,000 hours, the Government will unilaterally extend the period of performance under CLIN 0001 to allow completion of this effort. The individual Work Directive will also reflect this extension. Any options exercised during the effective period of this contract and not completed within that time period, shall be completed by the contractor within the time specified in the work directive. The contract shall govern the Contractor's and the Government's rights and obligations with respect to that option to the same extent as if the option were completed during the contract's effective period; provided that the Contractor's performance shall not exceed 12 months after the option is exercised.

The number of option hours exercised is 2,442. The number of option hours remaining for exercise is 31,304 hours. The number of hours exercised to date is 86,696 (Modification P00026).

H-17 Option, M113, M9ACE, PM BRIDGING

Pursuant to FAR 52.217-7, the Government shall have the unilateral right to increase the level of System Technical Support for Total Package Fielding under CLIN 0002 by up to 102,000 hours, at the estimated cost per hour to include fixed fee as established in paragraph B-3-1. The Contracting Officer may exercise the options set forth in this paragraph by giving written notice to the Contractor any time after Contract award through the sixtieth month after award. The performance there under to commence immediately upon the issuance of Work Directives corresponding to the increased hours. The CPFF hourly rate established in paragraph B-3-1 for that specific time period shall apply. The option may be exercised in any increment over the time period listed in paragraph B-3-1, but the total hours added to the Contract under the option will not exceed 102,000 hours.

By exercising any portion of the option increment of 102,000 hours, the Government will unilaterally extend the period of performance under CLIN 0002 to allow completion of this effort. The individual Work Directive will also reflect this extension. Any options exercised during the effective period of this contract and not completed within that time period, shall be completed by the contractor within the time specified in the work directive. The contract shall govern the Contractor's and the Government's rights and obligations with respect to that option to the same extent as if the option were completed during the contract's effective period; provided that the Contractor's performance shall not exceed 12 months after the option is exercised.

The number of option hours exercised for this modification is 8,180. The number of option hours remaining for exercise is 49,080 hours. The number of hours exercised to date is 52,920. (Modification P00024).

H-18 Option, HERCULES (M88A2)

Pursuant to FAR 52.217-7, the Government shall have the unilateral right to increase the level of System Technical Support for Total Package Fielding under CLIN 0003 by up to 36,000 hours, at the estimated cost per hour to include fixed fee as established in paragraph B-4-1. The Contracting Officer may exercise the options set forth in this paragraph by giving written notice to the Contractor any time after Contract award through the sixtieth month after award. The performance there under to commence immediately upon the issuance of Work Directives corresponding to the increased hours. The CPFF hourly rate established in paragraph B-4-1 for that specific time period shall apply. The option may be exercised in any increment over the time period listed in paragraph B-4-1, but the total hours added to the Contract under the option will not exceed 36,000 hours.

By exercising any portion of the option increment of 36,000 hours, the Government will unilaterally extend the period of performance under CLIN 0003 to allow completion of this effort. The individual Work Directive will also reflect this extension. Any options exercised during the effective period of this contract and not completed within that time period, shall be completed by the contractor within the time specified in the work directive. The contract shall govern the Contractor's and the Government's rights and obligations with respect to that option to the same extent as if the option were completed during the contract's effective period; provided that the Contractor's performance shall not exceed 12 months after the option is exercised.

The number of option hours exercised is 4,792. The number of option hours remaining for exercise is 18,192 hours. The number of hours exercised to date is 17,808 (Modification P00028).